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# BUILDING FOR THE FUTURE:

## towards a distinctive CBC

New policies and initiatives to assure the strengthened performance and improved accountability of the national broadcasting service as a crucial component of an identifiably Canadian broadcasting system and as an essential instrument of Canadian cultural development


Francis Fox, Minister of Communications

Canada



Government of Canada  
Department of Communications

Gouvernement du Canada  
Ministère des Communications



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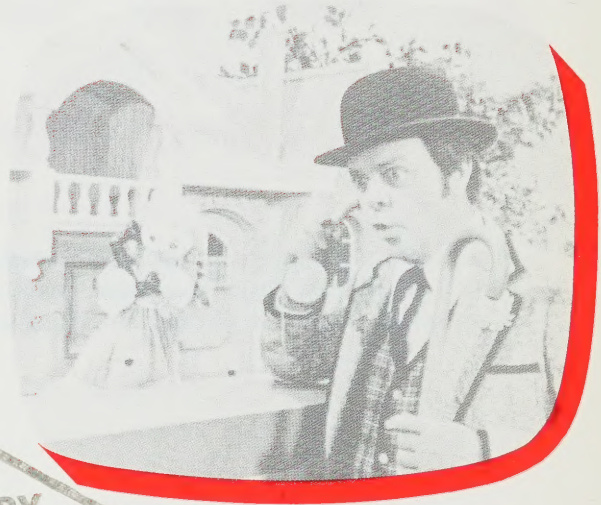
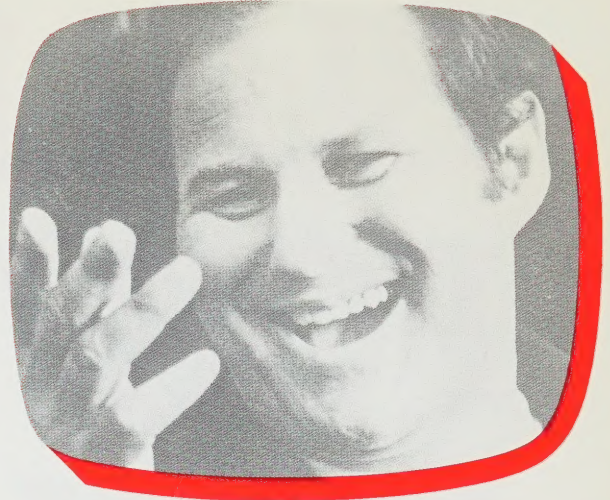
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# The Broadcasting Strategy – from policy to action

The Government of Canada announced on March 1, 1983, its new Broadcasting Strategy for Canada – a wide-ranging series of policies and initiatives to provide Canadians with greater program choice and make the Canadian broadcasting industry more competitive. This response to changing technologies and the new broadcasting environment recognized that, within a healthy and viable Canadian broadcasting system, Canadians are entitled to as much choice in programming as technical, contractual and international arrangements enable them to receive. The strategy also acknowledged that “choice” for Canadians is meaningless unless it also includes programming which reinforces the cultural heritage of all Canadians.

The strategy had three fundamental goals:

- to maintain the Canadian broadcasting system as an effective vehicle of social and cultural policy in light of a renewed commitment to the spirit of the broadcasting objectives set out in the 1968 Broadcasting Act.
- to make available to all Canadians a solid core of attractive Canadian programming in all program categories, through the development of strong Canadian broadcast and program production industries.
- to provide a significantly increased choice of programming of all kinds in both official languages in all parts of Canada.

The strategy consisted of four firm policy initiatives and eight policy proposals for debate, and action has already begun to implement many of them.

On the key question of increasing the viewing choice of Canadians, significant initiatives have been taken. New regulations under the Radio Act now permit individuals and certain commercial establishments to operate, without a licence, dishes for the reception of TV signals from satellites. This spring, the CRTC also issued a call for applications for licences to provide Canadian specialty programming services, a development which may open up a whole new dimension in TV viewing.

One of the most important initiatives intended to strengthen Canadian programming and the Canadian program production industry has already been implemented. On July 1, 1983, the Canadian Broadcast Program Development Fund, which should inject some 700 million 1983 dollars in public and private money over the next five years into the production of Canadian television programs by private program producers, came into existence. The strategy also called for a special emphasis on measures to encourage the production and export of Canadian French-language programming, and underlined the importance in this respect of co-production agreements with governments of other countries. A few months ago, the Government of Canada signed three co-production agreements with the Government of France, and negotiations are now under way with other governments.

The new northern broadcasting policy, announced in March 1983, was a direct response to the strategy's call for measures to respond to the needs of native people for broadcasting services reflecting their languages and cultures.

In the new session of Parliament, the government will also be introducing legislative amendments intended to implement in part the legislative thrust of the strategy.

## The CBC – a comprehensive review

All of these measures are urgent and necessary and go a considerable way along the road to full implementation of the strategy. But no comprehensive strategy for the Canadian broadcasting system can be complete without a new policy for the CBC.

The strategy's CBC thrust called for measures to assure the strengthened performance of the national broadcasting service as a crucial component of an identifiably Canadian broadcasting system. It also called upon the government to conduct a fundamental review of the role of the CBC to ensure that it provides programming appropriate to the new broadcasting environment. This review was to emphasize the need for the corporation to increase levels of Canadian content and move towards greater use of high quality Canadian programming purchased from independent producers.

The comprehensive review of the CBC has taken place in the context of an intense debate on the future of the CBC set in motion by publication of the report of the Federal Cultural Policy Review Committee in November 1982, and focused by the government's invitation in the Broadcasting Strategy for all Canadians to debate the general policy framework for the CBC enunciated in the strategy. Both the committee's report and the Broadcasting Strategy were also tabled in Parliament for consideration by the Standing Committee on Communications and Culture; it has now published its own recommendations for broadcasting in general and the CBC in particular.

In addition, the Minister of Communications asked the CBC Board of Directors to report to him with its proposals for how the CBC could continue to fulfill a central role in the Canadian broadcasting system within the new broadcasting environment. The board was asked to look at both the mandate and structure of the corporation, as well as its management, programming and funding policies and practices, taking into consideration the Broadcasting Strategy, the recommendations of the Federal Cultural Policy Review Committee, the government's general economic and social objectives for the 1980s, the findings of the Auditor General's economic and efficiency audit of the corporation, and a number of strategic objectives for the corporation put forward by the Minister of Communications. The board submitted its views last spring to the Minister of Communications.

In developing new policies for the corporation, the Minister also undertook a comprehensive review of the CBC through the Department of Communications – a review which took careful account of the views expressed in the ongoing public debate on the corporation, the recommendations of the Federal Cultural Policy Review Committee and the House Standing Committee on Communications and Culture, and the policy proposals put forward by the CBC board.

The Government of Canada has now endorsed the policies flowing from this review. In the context of the broad policy framework provided by the Broadcasting Strategy, these new policies call for measures to ensure a stronger and more distinctive CBC which will continue to serve as a crucial component of an identifiably Canadian broadcasting system and as an essential instrument of Canadian cultural development in the new broadcasting environment of electronic abundance.

They build on the enduring strengths of the CBC to ensure a Canadian cultural future into the 21st century.

## A national institution

The basic strength of the CBC is that of a national institution which has woven itself into the very fabric of our national consciousness over the last 50 years.

The assumption of this crucial national role by the corporation would have come as no surprise to the members of the Aird Commission, which in 1929 became the first government body to recommend the creation of a publicly owned national broadcasting service. In the year of the stock market crash, a year when U.S. radio signals were inundating the Canadian cultural landscape, they wrote: "From what we have learned in our investigations and studies, we are impelled to the conclusion that (the) interests (of the listening public and of the nation) can be adequately served only by some form of public ownership, operation and control behind which is the national power and prestige of the whole public of the Dominion of Canada."

Seven years later, in 1936, the CBC was established. In the ensuing decades, the corporation created a national radio network, stretching from the Atlantic to the Pacific and bringing a new electronic immediacy and intimacy to the experience of sharing the northern half of this North American continent.

In the early 1950s came television and a new cultural challenge, given that about half of the Canadian population could receive signals from U.S. stations. The CBC responded by creating national English and French television networks, adding a new and powerful visual dimension to the electronic bonds of our nationhood.

Today, 99 per cent of English-speaking Canadians can receive the CBC's English-language radio and television services; the corporation's French-language radio and television services are available to 99 per cent of Canadian francophones.

The achievement is an enormous one, given that this country has the second largest land area in the world and is characterized by a fundamental linguistic duality, a wide-ranging cultural diversity and strong regional identities. Few other national broadcasting services on the globe have had to bridge such gaps in distance and perception.

Yet the CBC has in large part succeeded. Enormous numbers of Canadians turn every evening to *Le Téléjournal* and *Le point* or *The National* and *The Journal* to find out what is happening across Canada and around the world. On radio, *As It Happens* and *Sunday Morning* are national institutions for English-language listeners seeking interesting, in-depth coverage of the news, while the *Présent* series fulfills the same role for francophone Canadians. Meanwhile, for eight years now, *The Fifth Estate* has provided a model for tough, investigative reporting in English Canada just as *Première page* and *Noir sur blanc* have for French Canada. All of these programs have shaped our perception of this country and the world.

CBC entertainment programming represents an even more profound shared experience. For decades, the Saturday nights of many Canadians each winter have revolved around *Hockey Night in Canada* and *La soirée du hockey*. The viewing of *Front Page Challenge* is a tradition in many English Canadian homes, just as *Les Beaux Dimanches* is in many francophone homes. And, on television in recent years, we have been entertained and moved by the award-winning *l'Oiseau de feu*, *Le Temps d'une paix* and *Les Plouffe*, not to mention *Empire Inc.*, *Seeing Things*, *A Gift to Last* and *Home Fires*. On radio, there is the biting, surreal satire of the *Royal Canadian Air Farce* or the distinctive musical programming of *Sept heures*, *Bonhomme* or *Live from Roy Thomson Hall* – to mention only a few.

And then there are CBC broadcasts of previous decades. Who has forgotten the first Canada-Russia hockey series and Paul Henderson's climactic goal in the final game – all brought to us by CBC television in both official languages? During the 1950s, both English and French-speaking Canadians set aside a very special half-hour one evening each week – to watch the trials and tribulations of the Plouffe Family. Successive generations of Canadian children have watched and been influenced over more than 20 years by *The Friendly Giant* and *Bobino*, both of which are still with us, while older Canadians will remember *Tante Lucille* or *Jake and the Kid* on radio. Others will remember such fine television entertainment as *King of Kensington*, *Les Belles Histoires des pays d'en haut*, *Wojeck*, *Musicale*, *Juliette*, *Le Survenant*, *Quenton Durgens M.P.* or *l'Heure du concert* – not to mention the nearly 40 years of Don Messer on both radio and television. Radio too has its own particular memories – the musical high-jinks over several decades of *Les Joyeux Troubadours* and *The Happy Gang*, the cutting satire of Max Ferguson as *Rawhide* or the family saga of *Rue principale* – again to mention only a very few.

These CBC programs represent in many ways our electronic heritage, a shared audio-visual record of what it has meant to be a Canadian over the past 50 years.

# An essential instrument of Canadian cultural development

In creating that living record, the CBC has for most of those years been the largest single employer of creative Canadians. Many are full-time employees. Others work for the CBC on contract – about 15,000 Canadian musicians, actors, singers and other performers, as well as writers, editors, composers, directors and many others. Indeed, virtually since its inception, the CBC has been a financial mainstay for Canadian symphonies, composers, musicians and performing arts groups across the country. The corporation pays an estimated \$100 million a year for their services, as well as in royalties and for performing rights. Many of these Canadian talents have gone on to receive international recognition. Clearly, the CBC is an essential instrument of Canadian cultural development, and without it our cultural life would not be as rich as it is today.

## The scope of the task

It is, of course, a massive task to provide a national broadcasting service. Because this task is so important and is performed with public funds, it is vital that it be carried out as efficiently as possible with adequate accountability to the Government of Canada, Parliament and, through them, to the Canadian people. At all times, however, the CBC must retain its autonomy with respect to content – the production, purchase and scheduling of programming.

The corporation distributes each year 119,000 hours of radio and television programming in two official languages to 24 million Canadians scattered through a land area of about 10 million square kilometres. By way of comparison, the British Broadcasting Corporation (BBC), with roughly the same annual budget and about twice as many employees, distributes about 142,000 hours of radio and television programming in only one language to 56 million Britons concentrated in a land area of only 241,000 square kilometres. Though the BBC provides more radio programming than the CBC, the latter provides close to twice as many hours of the much more expensive TV programming. It also provides more regional programming in radio and television than any other public broadcaster in the world.

The CBC delivers its national broadcasting service to Canadians through six national networks:

- an English-language television network,
- a French-language television network,
- an English-language AM radio network,
- a French-language AM radio network,
- an English-language FM radio network and
- a French-language FM radio network.

In addition to this basic service with its broad cultural and social objectives flowing from the CBC's legislated mandate, the corporation provides:

- a Northern radio and television programming service, including native-language programming (seven dialects on radio and two on TV);
- two national satellite-to-cable House of Commons networks, one English, the other French;
- a TV captioning service for the hearing-disabled;
- an international short-wave radio programming service in 11 languages to countries around the world; and
- host broadcasting services for foreign broadcasters when international events occur in Canada;

Most of these services are not explicitly provided for in the present CBC mandate.

With eight national networks delivering programming to Canadians through satellite, cable, microwave, 89 originating stations, 70 private affiliates and 1,421 rebroadcasting stations, the CBC has also been a major contributor to the strength of Canada's telecommunications and broadcast-equipment manufacturing industries. Now those industries have a real opportunity for exports, partly because the world-class reputation of CBC engineers and technicians is creating a growing demand for CBC technical consulting services and Canadian equipment among broadcasters in other countries. Canada's high technology industry as a whole also benefits from CBC innovativeness.

The assumption of these multiple roles, responsibilities and services by the CBC has resulted in the creation of a large and complex organization and underlines the need for maximum efficiency and effective accountability to the Government of Canada, Parliament and the Canadian people.

In cultural, social, political and even economic terms, the CBC has occupied a central position within Canadian life. As a national institution at the heart of the Canadian broadcasting system, it has for almost half a century interpreted us to ourselves and helped us to define the meaning of our involvement in the scattered and diverse national community that is this country. But we are now in an era of technological revolution in broadcasting, a revolution which confronts the CBC with unprecedented challenges and opportunities.

# The new environment and the explosion in viewer choice

Since 1968, when the present CBC mandate became law, the face of Canadian broadcasting has been transformed.

The 1968 mandate calls upon the CBC to provide “a balanced service of information, enlightenment and entertainment for people of different ages, interests and tastes covering the whole range of programming in fair proportion.” There is now less need for the CBC to provide such a comprehensive programming service, given that there has been a startling increase in the number and reach of private Canadian broadcasters, while new provincially owned educational broadcasters, such as Radio-Québec, TVOntario, Access Alberta and the Knowledge Network of the West, have begun to provide high-quality alternatives to commercial broadcasting. In addition, between 1968 and 1982, the number of Canadian homes subscribing to cable grew almost seven-fold and, as a result, distant television stations, whether domestic or foreign, private or public – are now available to Canadians in ever growing numbers.

More important, the rapid growth of cable, in conjunction with the emergence of other new technologies, has laid the basis for a whole new constellation of services – teletext, videotex, home computing, teleshopping, electronic banking, information retrieval, to mention only a few – which may revolutionize not just broadcasting but our entire communications system. Meanwhile, videodiscs and videocassettes are transforming the conventional TV set into a wholly viewer-responsive home video centre.

But perhaps the most important of these new technologies is the communications satellite, a technology which was in 1968 only being studied in relation to broadcasting. In keeping with federal government and CRTC policies to increase and equalize viewing choice across the country, the CBC has long used satellites to extend its reach. In April 1981, the CRTC licensed Canadian Satellite Communications Inc. (CANCOM) to deliver four private Canadian television and eight radio signals to remote and underserved communities and now CANCOM has a licence to distribute to such communities the three U.S. commercial networks and the U.S. Public Broadcasting System. In February 1983, Canadian pay television went on the air, to be delivered by Canadian satellite to local cable companies and their subscribers across the country.

But the new satellite technology does far more than extend the reach of Canadian broadcasters and give Canadians access to a few more foreign signals. There are now at least 50 new television programming services being delivered by satellite in the United States to a rapidly expanding cable industry, and their signals are now technically available almost everywhere in Canada. Within three years, the United States will launch the first of several direct broadcast satellites, with electronic footprints covering most of Canada. Signals from such satellites can be received directly in the home via small earth terminals, soon to cost probably as little as \$300.

These new technologies are creating a broadcasting environment of unprecedented opportunity and challenge for Canadian viewers, program producers and broadcasters – including the CBC.

The most notable opportunity is, of course, for Canadian viewers who will experience a dramatic increase in their viewing choice, as federal government and CRTC policies have recognized for some time. The first initiative in the Broadcasting Strategy was also aimed at significantly expanding viewers' programming choice by giving cable the crucial role of providing on a "tiered" basis the entire range of new Canadian programming and non-programming services and many foreign services, in addition to cable's continued carriage of conventional services. As already noted, in response to the strategy, new Radio Act regulations have also been put into effect; these are intended to increase the viewing choice of Canadians in rural and remote areas by abolishing the requirement for individuals to get a licence under the Radio Act to operate dishes used in the reception of TV signals from satellites.

In this new multi-channel environment, however, it has become ever more imperative that the CBC find a new and more relevant role – one which provides programming distinctive from the kind already so abundantly available from other domestic and foreign programming services.

## The new cultural challenge and the CBC

The Broadcasting Strategy also stated that Canada faces a cultural crisis of undetermined proportions because of the power of the new technology to abolish distance and ignore national boundaries. It stated that, with the increased availability of programming from other countries, there has emerged the special worry that this mounting flood would impede the appreciation of many Canadians – especially younger Canadians – for the unique value of Canadian history, society and cultural life. It recognized that regulation, though still necessary, has its limitations in ensuring a strong Canadian programming presence in the new environment.

For this reason, the strategy's response to this cultural challenge was both positive and stimulative. It established the Canadian Broadcast Program Development Fund, now a reality, in order to support the production of more attractive, high-quality Canadian programming by independent Canadian program producers and private production houses. The fund should also serve to strengthen the Canadian production industry and the Canadian broadcasters who will be airing this programming, as well as selling it on world markets, where the multi-channel capacity of the new technology is creating an ever growing market for content.

There are definite limits, however, to what private Canadian broadcasters and program producers can do to meet this cultural challenge.

The CBC, as the publicly owned provider of our national broadcasting service, has a special responsibility to ensure a strong Canadian programming presence in the new environment. Indeed, the strategy assumes that the CBC will play a key role in fulfilling one of the strategy's fundamental objectives – that of making available to all Canadians a solid core of attractive Canadian programming in all program categories, through the development of strong Canadian broadcast and program production industries.

## The need for a strengthened CBC

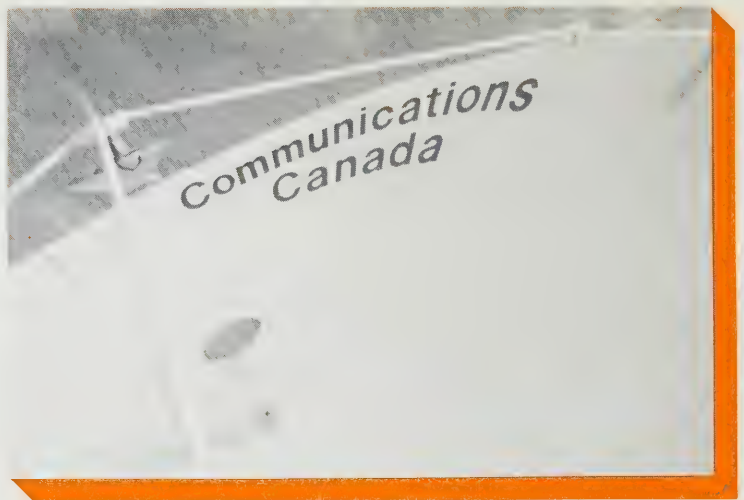
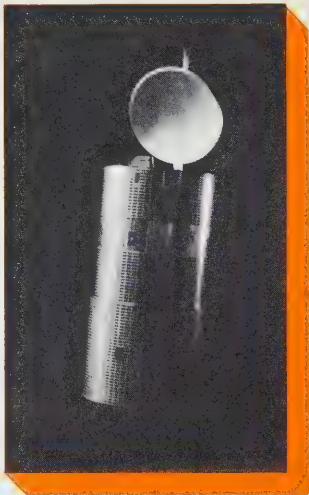
The task is an enormous one and is quite beyond the capabilities of either public or private broadcasting sectors acting in isolation. English-speaking Canadians now spend 76 per cent of their viewing time watching foreign programs; the comparable figure for francophones is 40 per cent. The viewing share of U.S. stations is growing among both official language groups. In the new environment, Canada faces a real possibility of being culturally overwhelmed.

If we are to meet that cultural challenge, the two sectors of our broadcasting system – the private and the public – must each fulfill complementary roles. The Broadcasting Strategy has defined the role which the private sector will be expected to perform.

The new policies set out below define a role for the CBC. They will create a stronger, more efficient and more accountable CBC, with a precisely defined role which is adapted to the new environment and fundamental to assuring a strong Canadian programming presence in the broadcasting system of the future.

These new policies are intended to ensure that the CBC can seize the opportunities – cultural, social and economic – of the new broadcasting environment.

They build on the enduring strengths of the CBC as one of the basic foundations for a Canadian cultural future in the 21st century.



*Summary*

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# NEW POLICIES

## A crucial role for the CBC

The Government of Canada has reaffirmed its commitment to the national broadcasting service of the CBC as a crucial component of an identifiably Canadian broadcasting system and an essential instrument of Canadian cultural development.

In order to ensure that the CBC can fulfill this vital dual role in the new broadcasting environment, the federal government has developed, in close consultation with the CBC Board of Directors, a new policy framework for the CBC and in particular CBC television. This new CBC policy has three fundamental objectives:

To ensure that, in the new multi-channel broadcasting environment, the CBC provides a much more distinctive service – a clear-cut Canadian broadcasting alternative to private broadcasters, which fully exploits the benefits of public funding and support to offer a broad range of predominantly Canadian programming aimed at a wide spectrum of Canadian audiences;

To ensure that the CBC, as an essential instrument of Canadian cultural development, remains a vehicle for the expression of Canadian culture in all its diversity and therefore makes a far greater contribution to the development of the independent Canadian program production industry;

To ensure that the CBC, as a large and complex organization with a crucial role, operates as efficiently as possible and is more accountable to the Government of Canada, to Parliament and through them to the Canadian people as a whole, while retaining its autonomy with respect to content – the production, purchase and scheduling of programming.

# 1

## A distinctive and predominantly Canadian CBC

In the new multi-channel broadcasting environment, it is imperative that the CBC provide a more distinctive and Canadian programming service which complements that provided by the private sector. To this end, the Government of Canada will introduce in the new Parliamentary session amendments to the Broadcasting Act which will provide that:

- (a) the Canadian broadcasting system as a whole, rather than the CBC, provide a balanced and comprehensive programming service, and
- (b) the CBC provide a distinctive and predominantly Canadian service.

# 2

## A vigorous re-orientation of CBC television

In order to ensure a more distinctive and more Canadian CBC television programming service in both official languages, the Government of Canada has endorsed a number of strategic targets and measures for CBC television. While these targets may only be achieved as public funds become available, the government expects the corporation to find some additional resources through continued improvements in its efficiency and the internal reallocation of resources. Already up to \$115 million in new public money (1983 dollars) will be provided over the next five years through the Canadian Broadcast Program Development Fund for programming to be aired on CBC television. These targets and measures include:

- (a) *80 per cent Canadian content levels:* The CBC will be expected to increase to 80 per cent over five years the level of Canadian content programming available in peak viewing hours on the CBC's national network English and French programming services, with rises in the level of Canadian programming outside of peak viewing time and to maintain present high levels on CBC regional programming services;
- (b) *Commercial policy:* The CBC will continue to rely on revenue from the sale of TV air-time. TV ad policy will ensure that programming objectives enjoy primacy over purely commercial objectives;
- (c) *Re-emphasizing the CBC mandate's national and regional thrust:* The CBC should place a renewed emphasis on the national and the regional thrust of the present CBC mandate;
- (d) *More collaboration between French and English services:* The CBC should place a stronger emphasis on co-operation, co-ordination, co-production and the exchange of programs between the CBC's English and French-language television services;

- (e) *Reflection of national issues:* The CBC should emphasize the reflection of national issues in news and public affairs programming in both English and French;
- (f) *Review of new programming services:* The Government of Canada is asking the CBC to prepare a comprehensive programming and financial report on the feasibility of introducing new television services employing the unused capacity of the House of Commons satellite network; and
- (g) *Regular exhibition of NFB productions:* The Government of Canada emphasizes the desirability of the CBC's entering into discussions with the National Film Board (NFB), with a view to ensuring the regular exhibition on CBC-TV of existing and new NFB productions.

## 3

### Greater use of independent producers

As an essential instrument of Canadian cultural development, the CBC has a special responsibility to play in developing Canada's independent program production industry. Greater involvement with independent producers should also open up imaginative new programming possibilities for the CBC and the Canadian public. In keeping with this view and taking into account the actual capabilities and needs of the industry, the Government of Canada has endorsed:

- (a) *A 50 per cent target for independent productions:* The CBC should increase to 50 per cent over five years the proportion of national network television programming (other than news, sports and current affairs) provided by independent producers; and
- (b) *Lease of facilities to independents:* The CBC should lease the unused capacity of its production facilities to independent producers at fair market prices, and submit, for approval by the Minister of Communications, a plan to make CBC-TV production facilities more readily available to independent producers in every region of the country.

## 4

### National unity role

The CBC board and management is responsible for ensuring that the corporation reflects and interprets as fully, fairly, and accurately as possible Canada's cultural, social, political, economic, linguistic and regional reality and diversity, as well as contributing to the flow and exchange of information and entertainment between regions and Canada's two official language-groups. The phrase in the CBC mandate, "contribute to the development of national unity," is deemed to mean being "consciously partial to the success of Canada as a united country with its own national objectives, independent from those of other countries," while maintaining the highest standards of professional journalism.

# 5

## More cost-effective distribution of programming

The revolution in communications technology presents important new opportunities for assuring efficient and effective delivery of CBC services. As a means of ensuring that the CBC can take full advantage of these technologies to assure the cost-effective distribution of its programming, the new CBC policy calls for:

- (a) *A more flexible mandate:* The government will introduce in the new Parliamentary session an amendment to the Broadcasting Act which will enable the CBC to make use of new communications technology in addition to conventional broadcasting;
- (b) *Satellite alternative to Accelerated Coverage Plan:* The government has endorsed fulfillment of the intent of the Accelerated Coverage Plan, while giving greater consideration to more cost-effective alternatives, such as the use of new satellite technologies alone or in combination with traditional technologies; and
- (c) *Retention of private TV affiliates:* The government supports the retention of affiliation agreements with private TV stations when these are the most cost-effective means of delivering CBC programming.

# 3

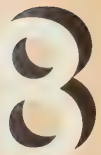
## A merchandizing role for the CBC

As a means of supplementing its Parliamentary appropriation, the government believes the CBC should be aggressively involved in the sale for a profit of its programming and related cultural products, as well as its world-class technical consulting services, in domestic and world markets. To this end, the government will introduce in the new Parliamentary session amendments to the Broadcasting Act which provide for both these activities.

# 7

## Special-purpose services and activities

The present CBC mandate does not explicitly provide for a number of special-purpose services and activities which the CBC has taken on over the years. In order to clarify the mandate, the government will introduce an amendment to the Broadcasting Act which will clearly provide for special-purpose services and activities, such as Radio Canada International, host broadcasting duties, and others.



## Towards a more efficient and accountable CBC

The Government of Canada fully supports the autonomy of the CBC with respect to content – the production, purchase and scheduling of programming. The government also recognizes that, as a Crown corporation with a considerable budget, the CBC must be operated efficiently and be fully accountable to the government, Parliament and the Canadian people for its use of public funds. To these ends, the government's new CBC policy calls for measures to improve both the efficiency and accountability of the CBC:

- (a) *Realignment of senior management functions:* The government will introduce in the new Parliamentary session amendments to the Broadcasting Act which will provide for the separate appointment of a CBC board chairman and president, each with their own distinctive role within the corporation;
- (b) *Review of internal structure and Parliamentary accountability:* The government will continue a general review of CBC's accountability to Parliament and internal structure, with a particular view to improving the quality of information on the CBC in the Main Estimates and in the CBC's Annual Report to Parliament.



## CBC resources

In order to meet the programming targets set out above, the CBC will be expected to continue improving its efficiency, reallocate its internal resources as possible and make full and efficient use of the Canadian Broadcast Program Development Fund. Though the government recognizes that these targets may only be fully achieved as further public funds become available, it should be noted that the fund will make up to \$115 million available during the next five years for Canadian programming to be aired on the CBC.



# NEW POLICIES

## A crucial role for the CBC

The Government of Canada has reaffirmed its commitment to the national broadcasting service of the CBC as a crucial component of an identifiably Canadian broadcasting system and an essential instrument of Canadian cultural development.

In order to ensure that the CBC can fulfill this vital dual role in the new broadcasting environment, the federal government has developed, in close consultation with the CBC Board of Directors, a new policy framework for the CBC and in particular CBC television. This new CBC policy has three fundamental objectives:

To ensure that, in the new multi-channel broadcasting environment, the CBC provides a much more distinctive service – a clear-cut Canadian broadcasting alternative to private broadcasters, which fully exploits the benefits of public funding and support to offer a broad range of predominantly Canadian programming aimed at a wide spectrum of Canadian audiences;

To ensure that the CBC, as an essential instrument of Canadian cultural development, remains a vehicle for the expression of Canadian culture in all its diversity and therefore makes a far greater contribution to the development of the independent Canadian program production industry;

To ensure that the CBC, as a large and complex organization with a crucial role, operates as efficiently as possible and is more accountable to the Government of Canada, to Parliament and through them to the Canadian people as a whole, while retaining its autonomy with respect to content – the production, purchase and scheduling of programming.

# 1

## A distinctive and predominantly Canadian CBC

In the new multi-channel broadcasting environment, it is imperative that the CBC provide a more distinctive and Canadian programming service which complements that provided by the private sector. To this end, the Government of Canada will introduce in the new Parliamentary session amendments to the Broadcasting Act which will require the CBC to provide a distinctive and predominantly Canadian service, while the Canadian broadcasting system as a whole – rather than the CBC – will be required to provide a balanced and comprehensive programming service.

No longer does the CBC provide the only television programming service to a significant number of Canadians, as it did in 1968; and this simple fact constituted the rationale for the CBC's provision of a comprehensive range of services.

Now, when nearly all Canadians can receive the signals of a growing number of private Canadian broadcasters and foreign stations, the CBC must provide a much more distinctive service – a clear-cut Canadian broadcasting alternative to private broadcasters, which fully exploits the benefits of public funding and support to offer a broad range of predominantly Canadian programming aimed at a wide spectrum of Canadian audiences. The amendments to the Broadcasting Act to be introduced by the government in the new Parliamentary session will provide a legislative basis for that new role.

This more distinctive role for the CBC does not by any means imply that the CBC will become a northern version of the U.S. Public Broadcasting System with its narrow public following. The CBC must remain a popular service, with programming which, taken as a whole, will be appealing to all Canadians.

The CBC's distinctiveness will rest on its being much more Canadian than other programming services and on its selection of foreign programming which private broadcasters tend to ignore. The corporation will be expected to air high-quality Canadian programs of broad popular appeal, as well as more specialized programs for the many communities of interest which form the diverse Canadian whole. The CBC will be expected to provide a satisfying complement to the private sector, both Canadian and foreign.

# 2

## A vigorous re-orientation of CBC television

In order to ensure a more distinctive and more Canadian CBC television programming service in both official languages, the Government of Canada has endorsed a number of strategic targets and measures for CBC television, which were developed in close consultation with the CBC Board of Directors. While these targets may only be achieved as public funds become available, the government expects that some additional resources will be found through the internal reallocation of resources and through the continued improvement in CBC efficiency, which is already a goal of CBC management. Already up to \$115 million in 1983 dollars will be provided over the next five years through the Canadian Broadcast Program Development Fund for programming to be aired on CBC television. These targets and measures include:

### *(a) 80 per cent Canadian content levels:*

The CBC will be expected to increase to 80 per cent over five years the level of Canadian content programming available in peak viewing hours on the CBC's national network English and French programming services, with rises in the level of Canadian programming outside of peak viewing time and to maintain present high levels on CBC regional programming services.

This target will mean a vigorous re-orientation of CBC television programming. It will require the purchase or production of about 230 hours a year of new Canadian programs – with the emphasis on drama – by 1989. This re-orientation will involve replacing much of the present American programming in CBC television schedules with popular high-quality Canadian programs. It will ensure more innovative CBC programming which is of lasting value, important to Canadian cultural development and of interest to audiences that are now inadequately served.

Achievement of this target will be expensive and will require continued improvement in CBC efficiency, the reallocation of CBC's internal resources and perhaps additional funding. Its attainment will mean that the CBC should be able to increase by 40 per cent the viewing of Canadian programs on the English television service, and by 20 per cent on the French-language service, both over five years. The CBC board has stated that such increases constitute its primary audience goals over the next five years.

These audience goals should significantly strengthen the Canadian programming presence in the new environment – an important cultural achievement, given the continuing rise in the availability of foreign programming to Canadians.

### *(b) Commercial policy:*

The CBC will continue to rely on revenue from the sale of TV air-time. TV ad policy will ensure that programming objectives enjoy primacy over purely commercial objectives.

The argument has been made in many quarters that the CBC should end its reliance for revenues on the sale of TV air-time for ads. At a time of restraint, when the CBC is assuming major new commitments with respect to the airing of Canadian programming, the government feels that the CBC should not forsake such an important source of revenues.

However, the government has accepted the call for a commercial policy which asserts the primacy of programming over purely commercial objectives. Instead of accepting a program mix governed by the objective of maximizing commercial revenues and thus sometimes neglecting the needs of audiences with specialized interests, the CBC must have as its primary objective the provision of television services which are much more distinctive and Canadian in character, particularly in prime time.

*(c) Re-emphasizing the CBC mandate's national and regional thrust:*

**The CBC should place a renewed emphasis on the national and the regional thrust of the present CBC mandate.**

The CBC must have a strong regional presence if it is to fulfill its national mandate and adequately reflect the diversity of Canada. It must ensure that regional production is of the best possible quality and that regional programming makes an important contribution to that of its national networks. The CBC already has TV production facilities in every region, many of them built in the last decade.

The CBC now plans a reduction in overhead costs at its regional centres, with the resulting savings to be invested in regional programming and operations. In addition, the CBC in its recent reorganization appointed a vice-president to give a higher profile to regional broadcasting within the corporation.

*(d) More collaboration between French and English services:*

**The CBC should place a stronger emphasis on co-operation, co-ordination, co-production and the exchange of programs between the CBC's English and French-language television services.**

Significant cost savings could result from greater co-operation, co-ordination, co-production and the exchange of programs between the CBC's English and French-language television services.

*(e) Reflection of national issues:*

**The CBC should emphasize the reflection of national issues in news and public affairs programming in both English and French.**

The wide-spread awareness of national issues is vital both to the health of Canadian democracy and our unity as a country. For this reason, the CBC must, while maintaining the highest standards of professional journalism, reflect national issues in its news and public affairs programming in both English and French.

*(f) Review of new programming services:*

**The Government of Canada is asking the CBC to prepare a comprehensive programming and financial report on the feasibility of introducing new television services employing the unused capacity of the House of Commons satellite network.**

A new television service, employing the unused capacity of the House of Commons satellite network, represents an opportunity to increase the number of viewers for Canadian programming in the new broadcasting environment. However, even if such a service began on a modest scale using already existing programming, it would be costly and the CBC under this new policy already has heavy commitments. For this reason, the CBC will be expected to prepare, for consideration by the government, a comprehensive programming and financial report on the feasibility of introducing such services.

*(g) Regular exhibition of NFB productions:*

The Government of Canada emphasizes the desirability of the CBC's entering into discussions with the National Film Board (NFB), with a view to ensuring the regular exhibition on CBC-TV of existing and new NFB productions.

Aside from the CBC, the National Film Board is the largest producer of high-quality Canadian programming in the country. Many of the board's productions have won prestigious international awards and critical acclaim around the world. However, the Canadian public often encounters difficulty in finding an opportunity to view NFB productions. It is for this reason that the government wishes to underscore the desirability of these two federal cultural agencies holding discussions, with a view to ensuring regular CBC exhibition of existing and new NFB productions.

# 3

## Greater use of independent producers

As an essential instrument of Canadian cultural development, the CBC has a special responsibility to play in developing Canada's independent program production industry. Greater involvement with independent producers should also open up imaginative new programming possibilities for the CBC and the Canadian public. In keeping with this view and taking into account the actual capabilities and needs of the industry, the Government of Canada has endorsed:

*(a) A 50 per cent target for independent productions:*

The CBC should increase to 50 per cent over five years the proportion of national network television programming (other than news, sports and current affairs) provided by independent producers.

This target is realistic, given the actual capabilities of Canada's independent program production industry. It is also in keeping with the spirit of the recommendations made by the Federal Cultural Policy Review Committee. It should be noted that the Canadian Broadcast Program Development Fund will, over the next five years, make up to \$115 million available for the production by independent producers of Canadian programming to be aired on the CBC.

*(b) Lease of facilities to independents:*

The CBC should lease the unused capacity of its production facilities to independent producers at fair market prices, and submit, for approval by the Minister of Communications, a plan to make CBC-TV production facilities more readily available to independent producers in every region of the country.

As a primary federal instrument in broadcasting, the CBC has a special responsibility to contribute to the development of Canada's independent program production industry. At present, the CBC has production facilities, many of them built in the last decade, in every region of the country. Most independent producers would not wish to own such facilities because of the overhead costs of maintaining and operating them.

# 4

## National unity role

The CBC board and management is responsible for ensuring that the corporation reflects and interprets as fully, fairly and accurately as possible Canada's cultural, social, political, economic, linguistic and regional reality and diversity, as well as contributing to the flow and exchange of information and entertainment between regions and Canada's two official language-groups. The phrase in the CBC mandate, "contribute to the development of national unity," is deemed to mean being "consciously partial to the success of Canada as a united country with its own national objectives, independent from those of other countries," while maintaining the highest standards of professional journalism.

The Government of Canada believes that the autonomy of CBC with respect to content (the production, purchase and scheduling of programs) – and especially the complete independence of its news and public affairs staffs – is fundamental to the health of Canadian democracy. At the same time, as a publicly owned Canadian institution intended to meet public-service objectives, the CBC must be – in the words of the March 1974 CRTC decision to renew CBC licences – "consciously partial to the success of Canada as a united country with its own national objectives, independent from those of other countries." It is the government's view that this commitment can only be carried out if the CBC maintains the highest standards of professional journalism.

Only with such high standards and complete autonomy with respect to content will the CBC be able to fulfill its essential role in contributing to the development of national unity – that of reflecting and interpreting as fully, fairly and accurately as possible Canada's cultural, social, political, economic, linguistic and regional reality. The autonomy of the CBC with respect to content and its adherence to the highest standards of professional journalism are also essential preconditions for its being able to contribute to the flow and exchange of information and entertainment between regions and Canada's two official language-groups.

These tasks are of fundamental importance. For this reason, the CBC Board of Directors and management must be responsible for assuring their fulfillment. The Canadianization of the corporation's television schedule, the greater emphasis on the use of regional programs on the CBC's national networks, the increased use of independent producers -- all should help the CBC to improve its efforts at reflecting and interpreting the diverse Canadian reality and enhancing communication between regions and Canada's two official language-groups.

The issuing by the CBC in August 1982 of a detailed codification of its policies relating to the philosophy and practice of journalism reflects the seriousness with which CBC regards the maintenance of the highest standards of professional journalism. The CBC board is also examining ways to strengthen its existing system of evaluation and accountability in journalism as a means of assuring adherence to this code.

# 5

## More cost-effective distribution of programming

The revolution in communications technology presents important new opportunities for assuring efficient and effective delivery of CBC services. As a means of ensuring that the CBC can take full advantage of these technologies to assure the cost-effective distribution of its programming, the new CBC policy calls for:

*(a) A more flexible mandate:*

The government will introduce in the new Parliamentary session an amendment to the Broadcasting Act which will enable the CBC to make use of new communications technology in addition to conventional broadcasting.

In the very near future, it may be more cost-effective for the CBC, in certain specific circumstances, to forego conventional broadcasting for direct feeds to cable head ends or satellite communications systems.

*(b) Satellite alternative to Accelerated Coverage Plan:*

The government has endorsed fulfillment of the intent of the Accelerated Coverage Plan, while giving greater consideration to more cost-effective alternatives, such as the use of new satellite technologies alone or in combination with traditional technologies.

The Accelerated Coverage Plan has been enormously effective in bringing CBC programming services to remote and underserved communities of 500 or more. At present, CBC services in both languages reach 99 per cent of both English and French-speaking Canadians.

However, it is becoming increasingly expensive to reach that last one per cent. For this reason, the CBC should give greater consideration to more cost-effective alternatives, such as the use of new satellite technologies alone or in combination with traditional technologies.

*(c) Retention of private TV affiliates:*

The government supports the retention of affiliation agreements with private TV stations when these are the most cost-effective means of delivering CBC programming.

The CBC now relies on its TV affiliates to reach about 30 per cent of its national audience. There are difficulties with this arrangement, especially the reluctance of many affiliates to deliver the full CBC programming service. However, it would be very costly for the CBC to establish an alternative to the affiliates for distribution of its programming, and it would be unacceptable for the CBC to leave unserved those Canadians who now receive their CBC programming from affiliates. In the government's view, it is more important at a time of restraint for the CBC to utilize its resources in providing more attractive high-quality Canadian programming than in finding an alternative to its present affiliation agreements.

# 6

## A merchandizing role for the CBC

As a means of supplementing its Parliamentary appropriation, the government believes the CBC should be aggressively involved in the sale for profit of its programming and related cultural products, as well as its world-class technical consulting services, in domestic and world markets.

To this end, the government will introduce in the new Parliamentary session amendments to the Broadcasting Act which provide for both these activities.

In the broad cultural field, there are a number of profit-making activities in which the CBC should be engaged to take advantage of the opportunities arising in the new environment. For example, the CBC should aggressively pursue profit-making ventures through the production, exhibition, purchase and sale in domestic and foreign markets of French and English-language programming, programming services, non-programming services and spin-off cultural products from the activities of its basic radio and television service. More specifically, it could co-operate on a commercial basis with other broadcasters to develop Canadian specialty services; the CRTC has already issued a first call for applications for licences for such services. The corporation should also examine the commercial feasibility of extending CBC programming services outside Canada through satellite, cable and other emerging technologies.

By multiplying the number of channels which can be delivered to viewers, the new technology has created an enormous demand for programming around the world, and the CBC should be in a position to take advantage of this opportunity. However, these profit-making activities must be kept functionally distinct from the provision by the corporation of its basic radio and television service in fulfillment of its mandate.

# 7

## Special-purpose services and activities

The present CBC mandate does not explicitly provide for a number of special-purpose services and activities which the CBC has taken on over the years. In order to clarify the mandate, the government will introduce an amendment to the Broadcasting Act which will clearly provide for the CBC's undertaking of special-purpose services and activities, such as Radio Canada International, host broadcasting duties, and others.

Most of these special-purpose services and activities are expensive to provide and serve important national objectives. For example, Radio Canada International represents in a very real sense Canada's voice abroad as it broadcasts in 11 languages to 30 million people around the world. When a significant international event, such as the 1976 Olympics or the World University Games in Edmonton last summer, occurs in Canada, the CBC often provides vital host broadcaster services to foreign broadcasters, thereby increasing Canada's visibility abroad. The CBC should have a legislative base for its involvement in all these areas.

# 8

## Towards a more efficient and accountable CBC

The Government of Canada fully supports the autonomy of the CBC with respect to content – the production, purchase and scheduling of programming. The government also recognizes that, as a Crown corporation with a considerable budget, the CBC must be operated efficiently and be fully accountable to the government, Parliament and the Canadian people for its use of public funds. To these ends, the government's new CBC policy calls for measures to improve both the efficiency and accountability of the CBC:

### *(a) Realignment of senior management functions:*

The government will introduce in the new Parliamentary session amendments to the Broadcasting Act which will provide for the separate appointment of a CBC board chairman and president, each with their own distinctive role within the corporation.

At present, policy and operating responsibilities at the senior management level of the corporation require further clarification because the president is simultaneously the chief executive officer and the chairman of the CBC board, as well as being heavily involved in operational matters. For this reason, the government will introduce legislative amendments which will permit the Governor in Council to appoint a separate president and board chairman. The chairman will act as the chief executive officer of the corporation, and the president will be its chief operating officer.

This realignment of senior management functions will result in a clearer definition of the centres of responsibility and accountability within the corporation. The chairman as chief executive officer will be judged on the effectiveness of the CBC's policies and long-term plans. The president will be judged on his performance as a manager. As a result, there will be a clear separation between strategic planning decisions and daily operational decisions. This separation should result in an improvement in CBC decision-making and thus an enhancement of both its effectiveness and efficiency in fulfilling its mandate.

This clearer delineation of the chairman's and president's roles, combined with the recent CBC reorganization, should also lead to improvement in accountability within the corporation and thus in the CBC's accountability to government and Parliament and through them to the people of Canada.

Such an arrangement is quite in keeping with present practice at many public and private corporations. For example, Petro-Canada employs this model, as do ABC, CBS, Télé-Métropole, Bell Canada Enterprises, B.C. Tel and a growing number of other corporations.

*(b) Review of internal structure and Parliamentary accountability:*

The government will continue a general review of CBC's accountability to Parliament and internal structure, with a particular view to improving the quality of information on the CBC in the Main Estimates and in the CBC's Annual Report to Parliament.

It is a fundamental concern of the government that the quality of information provided Parliament by the CBC be improved. Only in this way will it be possible to improve the accountability of the corporation to Parliament and thus ensure that the CBC is managed in accordance with sound corporate practice.



## CBC resources

In order to meet the programming targets set out above, the CBC will be expected to continue improving its efficiency, reallocate its internal resources as possible and make full and efficient use of the Canadian Broadcast Program Development Fund.

The Government of Canada recognizes that it will be costly for the CBC to meet the targets for Canadian television programming set forth above. While these targets may only be achieved as public funds become available, the government expects the corporation to find additional resources through continued improvement in its efficiency and through internal reallocation of its resources. This process has already begun with the CBC reorganization announced last spring. It should also be noted that the government remains committed to ensuring that the CBC has quality production facilities and these should ease the task of the CBC in meeting these programming targets.

More important, over the next five years, the Canadian Broadcast Program Development Fund will make up to \$115 million available to independent producers for the production of Canadian programs to be aired on the CBC. The public funds available through the fund represent the largest single contribution by the Government of Canada to CBC programming in the last 20 years. In addition, because two dollars must come from other sources for every dollar from the fund, the fund will provide a significant stimulus to investment by the private sector in CBC programming. For this reason, the government expects that the CBC will make full and efficient use of the fund and the leverage it will afford in attracting funds from the private sector.

# A distinctive CBC – building a Canadian cultural future

For almost 50 years, the CBC has resided at the vital centre of Canadian life. Indeed, many would say that what the transcontinental railway was to Canada in its first 50 years, the CBC has been for the last 50 years – the link which binds us together as a national community. First through radio and then through television, the national broadcasting service of the CBC has provided the news, public affairs, entertainment and cultural programming that has shaped our perception of what it means to be a Canadian.

In developing this new policy for the CBC, the Government of Canada recognized that the corporation now faces a fundamental change in its environment – a change which makes it even more important that the CBC be able to function as a crucial component of an identifiably Canadian broadcasting system and as an essential instrument of Canadian cultural development.

The new technology has made an ever growing number of private and foreign signals available to Canadians, and the challenge to Canadian cultural life is basic. At the same time, the technology, and the multiplicity of signals it can deliver to Canadian homes anywhere in the country, have the potential for enriching enormously that cultural life by opening up new channels for the expression of our cultural and linguistic diversity at home and abroad.

This new policy for the CBC acknowledges that the corporation must be a central instrument in unlocking that potential, in building a Canadian cultural future in which all Canadians will share.

To this end, the Government of Canada's new policy for the CBC contains initiatives to ensure that, in this environment of electronic abundance, the national broadcasting service becomes much more distinctive – a clear-cut Canadian broadcasting alternative which fully exploits the benefits of public funding and support to offer a wide range of attractive high-quality Canadian programming to a wide spectrum of Canadian audiences. This new policy also contains initiatives to ensure that the CBC, as an essential instrument of Canadian cultural development, makes far greater use of independent Canadian producers. Finally, in order to ensure that the CBC is able to fulfill its critical role in the new environment, this new policy calls for measures to improve both the efficiency of the CBC and its accountability to the federal government, Parliament and the people of Canada, while retaining its autonomy with respect to programming.

This new federal policy for the CBC goes a very long way, in short, towards adapting the corporation to the new broadcasting environment and assuring its strengthened performance as a central and necessary instrument of Canadian cultural development. It does so by building on the enduring strengths of the CBC in its first 50 years – strengths which, magnified and extended, will provide one of the firm foundations for a Canadian cultural future in the 21st century.

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